United Nations A/66/674

General Assembly

Distr.: General
30 January 2012

Original: English

Sixty-sixth session
Agenda item 142
Report on the activities of the Office of Internal Oversight Services

Proposal on the dissemination and distribution of audit reports

Report of the Office of Internal Oversight Services

Summary

The present report is submitted in response to General Assembly resolution 66/236, in which the Assembly requested the Secretary-General to entrust the Office of Internal Oversight Services with submitting a proposal to it no later than the main part of its sixty-seventh session on the dissemination and distribution of internal audit reports, including the parameters and modalities, and in full consultation with key stakeholders, including the Department of Management, the Office of Legal Affairs and the Independent Audit Advisory Committee. While it is acknowledged that making audit reports available to the public is a policy matter to be decided by the Assembly, the Office of Internal Oversight Services believes that the steps outlined in the report would enhance transparency and encourage more timely responses to critical and important issues.

12-21805 (E) 010212

Please recycle

I. Introduction

1. The General Assembly, in its resolution 66/236, reaffirmed paragraph 12 of resolution 64/263, and requested the Secretary-General to entrust the Office of Internal Oversight Services (OIOS) to submit a proposal to it no later than the main part of its sixty-seventh session on the dissemination and distribution of internal audit reports, including the parameters and modalities, and in full consultation with key stakeholders, including the Department of Management, the Office of Legal Affairs and the Independent Audit Advisory Committee.

2. Pursuant to the General Assembly's request, OIOS sets forth in the present report its proposal to publicly disseminate internal audit reports, acknowledging that this is a policy matter to be decided by the Assembly.

3. OIOS believes that such a step would enhance transparency and accountability with regard to the efficiency and effectiveness of the operations of the United Nations Secretariat, the funding for which derives from Member States through assessments or voluntary contributions. In addition, this step could improve public opinion about the Organization, since internal audit reports outline operational strengths, and could also improve awareness of the Organization's commitments as well as of its actions to address reported deficiencies in a responsible and timely manner.

II. Parameters and modalities for publishing internal audit reports

A. Notification prior to publishing final internal audit reports

4. The list of final internal audit reports issued to management will continue to be posted on the OIOS website on a monthly basis, as is currently the practice. A delay of 30 days (from the date of the posting on the OIOS website) is proposed prior to making publicly available appropriately redacted[1] reports containing overall opinions rated as "partially satisfactory" or "unsatisfactory", as communicated in A/66/286 (Part 1), paragraphs 19 (b) and (c) respectively. The delay is proposed to provide senior management (other than those in management to whom the reports were directly issued) and the representatives of Member States the privilege of requesting access prior to public release.

5. Progress by management in implementing remedial actions will be reported in the context of regular follow-up activities on a quarterly (for critical[2] recommendations) or annual (for important[3] recommendations) basis, with resulting improvement on overall opinion ratings reflected accordingly on the OIOS website.

[1] See section II.B.

[2] "Critical" recommendations address deficiencies that are likely to prevent the achievement of significant operational or control objectives within the defined scope for the audit.

[3] "Important" recommendations address deficiencies that could potentially interfere with achieving significant operational or control objectives within the defined scope for the audit.

B. Safeguards in publishing internal audit reports

6. OIOS appreciates that the internal audit reports might sometimes contain sensitive information, including audit results that may lead to possible inference of misconduct and subsequent investigations. With regard to the handling of such information, OIOS shall be guided by the Secretary-General's bulletins on the staff rules and staff regulations of the United Nations (ST/SGB/2011/1) and on information sensitivity, classification and handling (ST/SGB/2007/6).

7. More specifically, in line with General Assembly resolution 59/272, paragraph 2, OIOS will appropriately classify and withhold release of certain internal audit reports containing sensitive information, and will redact sensitive information contained in internal audit reports released to the public, as follows:

(a) The names of individuals, or information that would permit identification of individuals, for privacy reasons;

(b) Physical and other security risks related to locations or persons, which could potentially aid and abet any hostile act;

(c) Details of counter-fraud activities, or reports regarding fraudulent activities, such as those relating to preventive or detective counter-fraud, control or risk management activities, that could potentially be exploited to defraud the Organization;

(d) Information concerning control, financial and risk management weaknesses not yet remediated that could potentially be exploited to the detriment of the Organization.

III. Consultations

8. OIOS consulted management with regard to the proposal to make the internal audit reports publicly available, including with the Department of Management, the Office of Legal Affairs and the Independent Audit Advisory Committee. The comments and advice from the consultation have been taken into consideration in finalizing the present proposal.

9. In particular, the Advisory Committee provided advice on safeguards and opinions. The Department of Management and the Office of Legal Affairs commented and advised on various aspects of communication processes and on due process and sensitivity of information.

10. Finally, OIOS also advised the Joint Inspection Unit and the Board of Auditors of the proposed changes, providing assurance with regard to the safeguards outlined in paragraphs 6 and 7 above.

IV. Actions to be taken by the General Assembly

11. **The General Assembly is requested to take note of the present report and endorse the proposal to make the internal audit reports available on the OIOS publicly accessible website.**